

ENVIROLOGIC TECHNOLOGIES, INC.

March 8, 2008

Ms. Keary Cragan
Environmental Engineer
Brownfields & Early Action Section
US EPA, Region 5
77 West Jackson Boulevard (SE-4J)
Chicago, Illinois 60604-3507

*Re: St. Joseph County Economic Development Corporation — Cooperative Agreement
No. BF-96552901-2 and Cooperative Agreement BF-00E34701-0: Brownfield
Eligibility Determination for 306 Magnolia Street, Sturgis, Michigan*

Dear Ms. Cragan:

On behalf of the St. Joseph County Brownfield Redevelopment Authority, Envirologic Technologies, Inc. has prepared eligibility determination. The following information is being provided to demonstrate that the above-referenced site is eligible to receive funding for environmental assessment activities using the St. Joseph County Economic Development Corporation's (SJCEDC) Brownfields Assessment Grant for hazardous substances. This information was prepared at the request of SJCEDC by SJCEDC's approved consultant, Envirologic Technologies, Inc.

Of note, this project will deplete funds under Cooperative Agreement BF-96552901-2 designated for hazardous substance contaminated sites. As such, remaining elements of this project after those funds are complete will be drawn from the new Cooperative Agreement (BF-00E34701-0). The original Cooperative Agreement will remain active as Petroleum Funds remain available.

The property was initially developed for industrial operations in 1940 by Laughlin Tool and Engineering Company. The site continued to be operated as a metal-working machine shop by Laughlin Tool and Engineering Company and, later, Sutton Tool Company until the late 1990s when operations on site ceased.

The site was acquired by the City of Sturgis in approximately 2004. At that time, the City retained Triad Environmental Services to complete a Phase I Environmental Site Assessment (ESA) of the property. That Phase I ESA did not identify any concerns at the property related to the potential for soil and groundwater contamination. Subsequently, the property was purchased by Americraft Carton. The building has been razed and the property is currently vacant.

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Americraft Carton now wishes to construct a new building on the property and the St. Joseph County BRA and City of Sturgis would like to assist in the re-use of this vacant industrial property. To secure financing, additional environmental assessment of the property is being required, largely to overcome some deficiencies in the previous Phase I ESA.

A demonstration of the eligibility criteria is provided below.

	Eligibility Criteria	306 Magnolia Street, Sturgis, MI
1	Applying for \$200,000 waiver	No
2a	National Priorities List (listed or proposed)	No
2b	CERCLA Orders or Consent Decrees	No
2c	Site Under US Government Jurisdiction, Custody or Control	No
3a	Name of Site	Former Sutton Tool Property
3b	Address of Site	306 Magnolia Street Sturgis, MI
3c	Type of Contamination (Petroleum or Hazardous Substance)	Hazardous Substance
3d	Operational History/Current Use	Former industrial operation, now vacant
3e	Environmental Concerns	Industrial history of site; past heat treating operations using salt/cyanide baths, identification of outdoor drum storage
4	Property Specific Determination	N/A
5	If Hazardous Substance Site: Phase of Assessment Completed to Date	Phase I Environmental Site Assessment has been completed by purchaser

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6a	Owner of Site	Americraft Carton
6b	Date of Acquisition	2004
6c	Former Owner	Sturgis Improvement Association (a City of Sturgis entity)
7	Nature, Source, Extent of Contamination	Not known at this time
8	Ongoing or Anticipated Environmental Enforcement Actions	None identified
9a	If Not Own Site: Applicant Relationship with Owner	The project has come to the attention of the SJCEDC based on the owner's interest in re-use of the site.
9b	Owner's Role in Work to be Performed	Provide access to property
9c	Means of Site Access	Owner-provided
10a	If Own Site: Process and Date of Acquisition	N/A
10b	Hazardous Substances Disposed From Site	N/A
10c	Inquiry/Assessments Prior to Ownership	N/A
10d	Uses of Site Since Acquisition	N/A
10e	Potentially Liable For Contamination at the Site	N/A
10f	Parties Who may be Potentially Liable for Contamination	N/A
10g	Steps Taken to Prevent/Limit Future Releases	N/A
10h	Commitment to Comply, Assist and Cooperate w/ Cleanup	N/A

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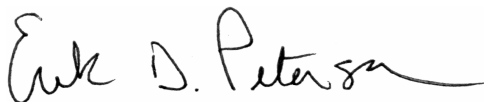
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11a	For Petroleum Sites: Current and Past Owner of Site	N/A
11b	Acquisition (i.e. date, process)	N/A
11c	No Responsible Party for Site	N/A
11d	Cleanup by Person Not Liable	N/A
11e	Low Risk Site	N/A
11f	Judgments, Orders, Third Party Suits	N/A
11g	Subject to RCRA	N/A
11h	Financial Viability of Responsible Party	N/A

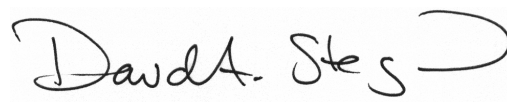
If you require additional information regarding this eligibility determination, please do not hesitate to contact our office at (269) 342-1100. We look forward to your response. Thank you for your time and attention to this matter.

Sincerely,

ENVIROLOGIC TECHNOLOGIES, INC.



Erik D. Peterson
Project Manager



David A. Stegink
Associate Vice President

cc: Cathy Annis, SJCEDC